

FREDERICK COUNTY LIQUOR BOARD
Public Meeting Minutes
Monday, May 16, 2016

Those Present:

Mr. Dick Zimmerman, Chairman
Mr. Rick Stup, Board Member
Mrs. Linda Thall, Sr. Assistant County Attorney
Mrs. Kathy V. Dean, Administrator
Mr. Harold DeLauter, Alcoholic Bev. Inspector
Mr. Bob Shrum, Alcoholic Bev. Inspector
Mrs. Penny Bussard, Administrative Specialist V
Mrs. Ashley Sklarew, Administrative Specialist V

A Public Meeting was held at 12 E. Church Street, Frederick, Maryland, and was called to order at 9:00 AM by Chairman Zimmerman.

1. Liquor Board Comment:

RE: Class C License

Mr. Zimmerman stated the Board has two items to discuss that are on the agenda. Mrs. Thall made some comments for the Board to consider on both policy items. We will be discussing the Class C “Club” License Flex Closing Policy and the Rules of Procedure. Mr. Zimmerman stated that the Board didn’t realize that Commissioner Maggie Hays would not be here for today’s hearing. Mr. Zimmerman stated that additional public comment is important and that the Board probably will not make a final decision today, as he believes that all Board members should be present for the final decision.

Class C “Club” License Flex Closing Policy: Mr. Zimmerman stated it is his understanding the Board does not usually introduce changes, but this particular request for the Class C “Club” License arose from the licensees. Mr. Stup stated that his normal disclosure is the same as it was in the past about his affiliations with different organizations. The Board agrees on the need to be fair and unbiased towards all licensees. If a decision benefits only one licensee, we advise them where to go to seek help, but this Board does not favor any one particular licensee where it does not benefit a number of licensees in that category or subcategory. Mr. Stup stated that he has continually been approached by a number of people with Class C “Club” Licenses. Mr. Stup stated there is a problem, and for this reason it is being

brought to the Board. Mr. Stup stated the licensees under this category are already treated differently from other licensees. They are treated differently by the United States Government because in most cases, at least for veteran organization, they are tax exempt by congress. These licensees are treated differently by the State of Maryland. Generally, under certain conditions property tax is not assessed and in some cases there are some other tax breaks. This is a privilege of membership and this licensee is different than other Class C Licensees. Mr. Stup made these qualifying statements because there were some issues and concerns in treating these licensees differently and opening up this option to all Class C licensees. Mr. Stup stated he would like to see this launch as a pilot program that future Boards could use to possibly expand. Mr. Zimmerman had two comments to make before the Board entertained public comment. Mr. Zimmerman asked Mr. Stup if he was aware of any other counties that treat these types of organizations similarly. Mr. Stup stated that he had not gone outside of Frederick County to research how other jurisdictions handle Flex Closing. Mr. Zimmerman asked Mrs. Dean if she knows of any other counties that have Flex Closing Hours. Mrs. Dean responded by saying that she doesn't know of any jurisdictions across the state of Maryland that have flex hours. Mr. Zimmerman asked how many Class C licensees this would involve. Mrs. Dean estimated about 35 Licensees. Mr. Zimmerman asked Mrs. Dean looking at places like the Weinberg Center, Golf Clubs, and the Ensemble Theater approximately how many of those clubs do we have. Mrs. Dean responded approximately 10 clubs. Mr. Zimmerman stated he wanted to get a figure for how many licenses it would be. Mrs. Dean stated she has also had Class B Licensees ask for the same request more often than the Class C Clubs and they give the same reasons that the clubs are giving to the Board.

PUBLIC COMMENT: William Lach, member of Francis Scott Key Post 11 American Legion, stated he is a Past Commander and he is on the Post Executive Committee. When he found out that this regulation was being reviewed he was very interested, because it is a problem they have had ever since the post has rebuilt and moved from Church Street to the Taney Avenue location. The post is operating its lounge and dining area in a fairly commercial method. When it comes to the closing hours for operating the lounge, the post is unable to make a decision that benefits the post, because they are locked into certain operating hours where the lounge must stay open even if they have absolutely no one in the lounge. The post does have some flexibility as it relates to the weather and early closing. but normally the post doesn't have that flexibility. Mr. Lach stated that the area has changed over the years from when the post first moved to Taney Avenue. The Legion has one bartender working up until closing. However, when 9 pm comes and the customers are gone. the bartender may have to close the lounge alone and the post has concerns about the safety of the staff leaving the lounge alone. There was a time when the post had an arrangement with the Frederick City Police Department and they would have an officer available when the Post closed, but those days have ceased. The service

is no longer available to the Post. Mr. Lach emphasized the safety issue. Mr. Zimmerman asked about safety issues in the location of the club and if there is an increase of crime in the neighborhood where the club is located. Mr. Lach stated that was correct.

Ron Stohlemmer, member of the American Legion Post 11, stated he was Past Commander and currently is the Assistant Finance Officer. Mr. Stohlemmer stated for nine years he was the House Chairman that ran the business for the Legion. Mr. Stohlemmer stated the Legion's main concern is safety. It doesn't bother the Legion to pay the bartender to stay until closing. Mr. Stohlemmer stated there have been shootings in the area and on one occasion the bartender saw two men speed into the post parking lot and run from their car leaving it abandoned in the Legion parking lot where it sat overnight. All of the post bartenders are women. Mr. Stohlemmer stated he is disappointed that more club representatives did not show up today, because they have the same concerns on this issue.

Mr. Zimmerman asked Mrs. Thall to address some of her comments on the policy regarding Class C flex Closure. Mrs. Thall stated that in section 5.20 there is a comma within sub-section F. The comma should be removed from the sentence. Mr. Zimmerman stated that Ms. Thall recommended that the sentence be reworded. Mr. Stup stated that he was asked to draft the policy and he didn't necessarily write the draft the way he would have liked. Mr. Stup stated it was not his intent to repeat current policies, but to summarize them when writing the Flex Closure Policy. Mr. Zimmerman stated it is his understanding if the policy is going to be limited to this type of club organization the Commissioners need to be very specific with this policy as it is related to Section 2.2 B only concerning requirements of the policy. The Board needs to specify the type of club that is defined in Section 2.2 B. Mr. Zimmerman asked if the Board needed to adjust the paragraph. Mr. Stup stated he has no objections to any revisions. Mr. Stup stated that he was trying to restrict the policy to nationally charitable chartered clubs. Mr. Zimmerman stated the Board needs to work on a definition of the Class C "Club" type requirements. Mrs. Thall stated the Board could remove the definition and address it in the requirements for the Flex Closure. Mr. Zimmerman stated that in the second area when the policy states "No violations issued" the word "issued" is a broad term and it should say licensee should not be found guilty of violations in the last twelve months. Mrs. Dean agreed with Mr. Zimmerman on the phrasing of the words. Mr. Stup stated he had no objections to the second revision. Mrs. Dean asked is the 12 month violation period a calendar year or a license year. Mr. Zimmerman stated that the Board will not vote on the Class C Club, Flex Closure policy today. Ms. Thall stated that the policy should read Class C Club should be a members only club with the exception of special events. Mr. Zimmerman stated this section needs to be defined as well. Mr. Stup stated the purpose of this exemption is not for bingo. Bingo is just a small portion, the purpose is for the lounge. Mr. Zimmerman stated that the Board needs to be consistent with the wording of the policy. Mrs. Dean stated the policy is only talking about early closing. Mrs. Thall suggested

two additional word changes within the policy. Mr. Zimmerman asked for public comment on the corrections to the policy.

Public Comment: William Lack, Post 11. Mr. Lach stated that he heard the Board discussing Bingo and what goes on in bingo as a concern. Mr. Lack stated that he cannot speak for all the club licensees within Frederick County, but he can speak on how Post 11 runs bingo. Mr. Lach stated that bingo is not held in the lounge. Their bingo is held in a separate area away from the lounge. If members from the Post are playing bingo they can walk over to the lounge, which is key card secure and purchase a drink and return back to bingo with their cold beer sitting in front of them. What Post 11 does not permit is non-members from coming into the lounge and attempting to walk back to bingo. Mrs. Dean corrected Mr. Lach and stated that she did not say just bingo. She stated bingo, spaghetti dinners and anything that the public would come to concerning the Class C Clubs. Mr. Lach stated that it would remain the same. The areas that Post 11 utilize for events other than the Post Lounge area is key card secure. Key cards are given to members and members can bring guests. As long as the member is making the purchase, the Post 11 is operating within the law. Mr. Zimmerman asked if a member comes back into the bingo hall and a non-member wants to purchase a drink, can the member purchase a drink for someone who is not a member. Mr. Lach stated no they cannot. Mr. Zimmerman stated so only members only can purchase drinks. Mr. Lach stated this is a veteran organization and we police ourselves. Mrs. Dean asked would the clubs ever close the bar while hosting an event such as a wedding reception or special event. Mr. Ron Stohlemmer stated the only reason why the post wants to close early is for the safety of the bartenders. The bar would not close if the Post has a wedding event. The bar and event would close at the same time. Mr. Zimmerman stated that is a good point that should be added to the policy that the Class C Club are not allowed to close early during special events. Mr. Lach stated this Flex Closure should be available to all licensees.

Rules of Procedure- Mrs. Thall recommended changes to the Rules of Procedure in the following sections. Introduction, Article 2B no longer exists, so the references need to be updated. Section 1, recommended removing the word “commission”, because the Board is not a commission. Section 2. public meeting 1 meeting weekly as required needs to be compliant with Article 2B. Mr. Stup stated that he knows that rule needs to be compliant with Article 2B. Mrs. Thall stated that an Agenda needs to be added and should be posted for the public. Mrs. Thall stated those applicants who would like to be notified of public meeting via email also receive an email copy of the agenda as well. Mrs. Dean stated the Liquor Board has asked licensees to update the Board with their email addresses so that the Licensees and Applicants may receive email updates. Mrs. Thall’s second recommendation was a change in wording for contacting the Liquor Board. Mrs. Thall suggested the inclement weather policy be posted on

the Liquor Board's website. Mrs. Thall suggested the Board consider addressing the Delayed and Flex/ Liberal Leave Policy for County opening and closings. Mrs. Thall wanted to know how far ahead does the Liquor Board prepare its public agendas and make them available to the public. Mr. Stup stated that he and Mrs. Bussard are constantly setting up future Agendas as cases come in and then they determine the dates for the hearing. Mrs. Thall stated that the County Council has their agendas set up 90 days in advance. Mrs. Dean stated that she didn't believe that the Liquor Board had the capability of posting agendas 90 days in advance. Mrs. Dean read from the procedures the order of the agenda may be amended at the meeting by an affirmative vote of the majority members. Mrs. Thall recommended the minutes be posted on the website. Mrs. Thall went over other recommended changes. Mrs. Dean asked about reconsideration, flexibility to hear reconsideration after a motion has been made. Mrs. Thall asked if the Board wants to put an ethics clause in that states Board Members are not allowed to receive gifts from licensees or applicants under the conduct of Board Members. Mr. Zimmerman asked for guidance on wording on how the chairman addressing the public and how communications are handled. Mr. Zimmerman stated that generally the staff would be the primary contact for the public that is asking general questions. Mrs. Thall will provide written provision for the Board.

Meeting Adjourned.

Respectfully submitted,

Kathy Dean, Administrator
FREDERICK COUNTY LIQUOR BOARD